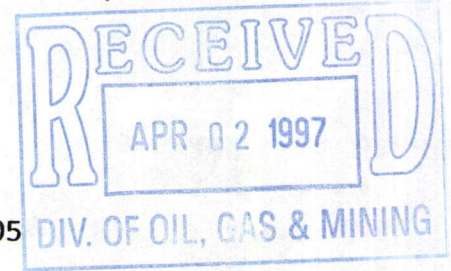


M/047/013



ROBERT E..COVINGTON
CERTIFIED PROFESSIONAL GEOLOGIST NO. 1705
p o box 1845
VERNAL UT 84078

PH: (801) 789-3233
FAX: (801) 789-4560

U.S. Department of the Interior
Bureau of Land Management
Utah State Office
P O Box 45155
Salt Lake City, UT 84155-0155

Cowboy No. 1

Re: 3504
(UT-920)
UTU-0122693

Dear Stan:

In conformance with the request by Douglas M. Koza, we herewith enclose our modified request for approval of our Minor Modification for Partial Removal of Surface Pillar for the Cowboy-Bandana Mine Plan of Gilsonite Lease U-0122693. In addition to to the request, we enclose a letter from Uintah Engineering and Land Surveying to show that our plan will supply sufficient surface stability to insure future safe surface use.

Our request also includes the laying of an air line on the surface from the No.1 Cowboy Mine Shaft southeast along the vein to the mining operation on the Ziegler patented lands.

The report also answers the questions which you had with reference to the rock pile at the No.1 Mine Shaft.

We appreciate your cooperation and support and hope that we can receive approval at your earliest convenience.

Very truly yours,

A handwritten signature in cursive script that reads "Robert E. Covington".

ROBERT E..COVINGTON, CONSULTANT FOR:
ZIEGLER CHEMICAL & MINERAL CORP.

cc: Gordon S. Ziegler,, Jr..
Norman R. Haslem
Duane DePaepe
Tony Gallegos,, Div. Oil, Gas & Mining

ADDITIONAL DATA TO SUPPORT MINOR MODIFICATION
OF THE MINING PLAN
FOR THE ZIEGLER CHEMICAL & MINERAL CORPORATION
COWBOY NO..1 MINE

BY
ROBERT E..COVINGTON
CERTIFIED PROFESSIONAL GEOLOGIST
NO. 1705

WITH
SUPPLEMENTAL ENGINEERING REPORT
BY
UINTAH ENGINEERING & LAND SURVEYING

MARCH 28,,1997

ADDITIONAL DATA TO SUPPORT MINOR MODIFICATION
OF THE MINING PLAN
FOR THE ZIEGLER CHEMICAL & MINERAL CORPORATION
COWBOY NO.1 MINE

On the 6th of March, 1997,,Ziegler Chemical & Mineral Corp., through its consultant, Robert E. Covington, requested a Minor Modification of the approved Mining Plan for mining gilsonite on U.S. Gilsonite Lease U-0122693 on the Cowboy vein. The request asked for approval to mine gilsonite from the surface down to a depth which would be 10' above the horizontal pillar of the 1st Level of the mine. Ziegler now withdraws the request with respect to that portion of the lands lying east of Shaft No.1, but would like the request to cover the lands northwest of Shaft No.1 along the vein, and, commencing (see accompanying Mine Map on scale of 1"=50') southeast of the west section line on Ziegler's fee land.

Block 1 will extend southeastward from the common north-south line of Section 33, Township 8 South-Range 24 East with Section 3, Township 9 South-Range 24 East a horizontal distance of 125'. Ore will be surface mined to a depth of 30', leaving a pillar below this depth 40' in thickness. This is on Ziegler fee land.

Block 2 will extend from the fee "old Shaft" southeastward a distance of 215' and will be mined from the surface to a depth of 30', leaving a 25' pillar of ore below it. This is on Ziegler fee land.

Block 3 will be mine a horizontal distance of 230' in a southeast direction along the vein to a depth of 30'. leaving below it a pillar of ore over 30' in thickness. This block is on Ziegler fee land.

West of Shaft No.1, on U.S.Gilsonite Lease U-0122693, along the vein, surface mining would be taken to a depth of 25' to 35', depending upon the topography. Mining to date has shown that to the west of No.1 Mine shaft the ore rocks out below this depth as far as west as has been mined to date, thus the floor would probably be all rock.

Additions to Minor Modification
Mine Plan, Cowboy Vein
Ziegler Chemical & Mineral Corp.
March 26, 1997
Page Two

Surface mining would continue a distance of 1775 feet northwestward along the vein, starting 25 west of Cowboy Shaft #1. From present data it is probable that rock will be found at a depth not more than 30 feet from the surface. The "bottom" of the mineable ore will be wherever the vein pinches and narrows to a width less than 12 to 15 inches. The reclamation plan is described in the attached engineers plan.

With reference to the waste rock pile which has resulted from the subsurface mining, this rock will be leveled along the vein and would be contoured into the existing landscape, to conform as closely as possible with the original appearance. This rock would then be covered with top soil and would be reseeded as set forth in the approved mining plan.

Operator requests approval to lay, on the surface and parallel to the gilsonite vein, in a southeast direction from Cowboy No.1 Mine Shaft, a 12" air line for the air lift needed on the Ziegler fee land mining operation. After mining, the line would be removed. No surface disturbance is contemplated.

The modification to the Cowboy Mine Plan is requested for approval. The modification will enable the Operator to recover more gilsonite than would normally be extracted, with no additional environmental problems or safety hazards. This approval will economically be beneficial

Additions to Minor Modification
Mine Plan, Cowboy Mine
Ziegler Chemical & Mineral Corp.
March 26, 1997
Page Three

to the United States for the additional royalty income which will be received. Additionally, the approval will enable Ziegler to maintain its current contracts for this particular quality of ore, so that it would be a Win-Win situation for all of the parties who would be involved in this request. Ziegler therefore respectfully requests the approval for these Minor Modifications as soon as is feasible, so that work may progress without the necessity of laying off of miners. The plan also conserves this natural resource.

ZIEGLER CHEMICAL & MINERAL CORP.



ROBERT E. COVINGTON, CPG NO. 1705
CONSULTANT FOR ZIEGLER CHEMICAL & Mineral corp.

cc: Gordon S. Ziegler, Jr.
Norman Haslem, Little Bonanza, UT
Stan Perkes, BLM, SLC, UT
Tony Gallegos, Utah Div. Oil, Gas & Mining
BLM, Vernal, Utah
files

